



GOV. MSG. NO. 235

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

April 24, 2015

The Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
State Capitol
Honolulu, Hawaii 96813

Dear Senate President Kim:

The Hawaii Government Employees Association (HGEA) and the public employers have reached a tentative agreement concerning Collective Bargaining Unit 2 (Blue Collar Supervisors). Ratification of the collective bargaining agreement is expected on April 27, 2015. In accordance with Section 89-10(b), cost items must be submitted to the Legislature for appropriation within ten days of ratification. While this agreement has not yet been ratified, the following summaries of the included and excluded requirements of the settlement for the upcoming fiscal biennium are being transmitted to the Legislature for authorization in anticipation of union ratification to facilitate meeting the legislative timetable:

	<u>FY 16</u>	<u>FY 17</u>	<u>Biennium</u>
<u>Salaries & Fringe</u>			
General	\$1,024,872	\$1,758,967	\$2,783,839
Special	521,279	826,335	1,347,614
Federal	16,980	27,883	44,863
Revolving	<u>29,041</u>	<u>44,654</u>	<u>73,695</u>
Total	\$1,592,172	\$2,657,839	\$4,250,011

Of the above amounts, the following are for the Hawaii Health Systems Corporation (HHSC):

	<u>FY 16</u>	<u>FY 17</u>	<u>Biennium</u>
Special	\$118,595	\$186,425	\$305,020

The Honorable Donna Mercado Kim
April 24, 2015
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It should be noted that HHSC has indicated that it cannot absorb these additional salary costs and will be requesting an increase in its general fund subsidy from the Legislature for this purpose.

An agreement with HGEA regarding Employer-Union Trust Fund contribution amounts has also been reached and the estimated costs are as follows:

	<u>FY 16</u>	<u>FY 17</u>	<u>Biennium</u>
General	\$156,745	\$288,812	\$445,557

Attached is a proposed draft bill which amends Senate Bill No. 1077, S.D. 1, H.D. 1, in its entirety, to fund the settlement.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Y. Ige", with a stylized flourish below it.

DAVID Y. IGE
Governor, State of Hawaii

Attachment

c: Honorable Jill N. Tokuda



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

April 24, 2015

GOV. MSG. NO. 235

The Honorable Joseph M. Souki
Speaker of the House of Representatives
Twenty-Eighth State Legislature
State Capitol
Honolulu, Hawaii 96813

Dear Speaker Souki:

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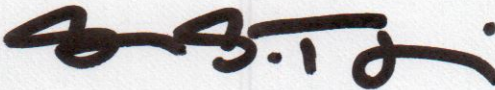
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Sincerely,


for DAVID Y. IGE
Governor, State of Hawaii

Attachment

c: Honorable Sylvia Luke

Chadwick Bond
25% Cotton

